

Charles L.A. Terreni
Chief Clerk/Administrator

The Public Service Commission State of South Carolina

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November 16, 2009

The Honorable James E. Smith, Jr.
Post Office Box 50333
Columbia, South Carolina 29250

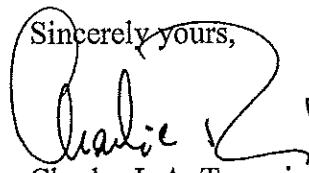
Re: Application of TracFone Wireless, Incorporated for Designation as an Eligible Telecommunications Carrier in the State of South Carolina for the Limited Purpose of Offering Lifeline and Link Up Service to Qualified Households, Docket No. 2009-144-C.

Dear Representative Smith:

Thank you for your letter dated November 8, 2009 regarding the Commission's recent decision to deny TracFone Wireless's application for designation as an Eligible Telecommunications Carrier under Section 214(e)(2) of the Federal Communications Act. We have posted your comments to the docket in this case, and made them available to all of the parties. Because the case is still pending, the Commission is not able to comment on the decision. However, I have enclosed with this letter a copy of the Commission's directive, which memorializes the Commission's vote and reasoning for denying the application. I would also point out that, while the Commission voted on the application on October 15, 2009, the order has yet to be issued, and the time during which the parties may move for reconsideration has yet to begin running. Therefore, the Commission is still in a position to consider any new proposals that the parties may have regarding this application.

I hope that you will find this information helpful. Please let me know if I may be of further assistance.

With best wishes, I am,

Sincerely yours,

Charles L.A. Terreni

cc: C. Lessie Hammonds, Esquire
Nanette S. Edwards, Esquire
D. Larry Kristinik, Esquire
Debra McGuire Mercer, Esquire
Jeremy C. Hodges, Esquire
Mitchell F. Brecher, Esquire
Public Utilities Review Committee

**PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA
COMMISSION DIRECTIVE**

ADMINISTRATIVE MATTER	<input type="checkbox"/>	DATE	<u>October 15, 2009</u>
MOTOR CARRIER MATTER	<input type="checkbox"/>	DOCKET NO.	<u>2009-144-C</u>
UTILITIES MATTER	<input checked="" type="checkbox"/>	ORDER NO.	<u></u>

SUBJECT:

DOCKET NO. 2009-144-C - Application of TracFone Wireless, Incorporated for Designation as an Eligible Telecommunications Carrier in the State of South Carolina for the Limited Purpose of Offering Lifeline and Link Up Service to Qualified Households - A Hearing was Held on September 3, 2009. Discuss this Matter with the Commission.

COMMISSION ACTION:

TracFone has made it clear in its filings before the Commission and at the hearing held on September 3 that it does not believe it should be required to contribute to the state universal service fund (USF), and that if the Commission held that the Company would be required to make state USF contributions as a condition of being granted ETC designation, it would elect not to offer Lifeline and Link Up service in this state. This Commission currently requires other wireless carriers designated as ETCs to contribute to the State USF. These other wireless carriers would be placed at a competitive disadvantage if we were to allow TracFone to obtain ETC designation without requiring TracFone to contribute likewise. Commission Regulation 103-690 allows us to impose such regulations on ETC applicants as shall be in the public interest. Additionally, we are charged under Sections 214 and 254 of the Federal Telecommunications Act to determine whether an ETC designation is consistent with the public interest, convenience and necessity. I do not believe it would be in the public interest to grant TracFone the ETC designation it seeks without requiring the Company to contribute to the State USF. The purpose of the State USF is to facilitate the offering of telephone service to all of the people of South Carolina, even in areas where it might otherwise be economically infeasible to offer telephone service. It is in the public interest that we ensure adequate levels of funding for the State USF. I therefore move that we deny TracFone's petition for ETC designation to offer Lifeline and Link Up service.

PRESIDING: FlemingSESSION: RegularTIME: 2:30 p.m.

	MOTION	YES	NO	OTHER
FLEMING	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
HAMILTON	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<u>Absent</u> Annual Leave
HOWARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
MITCHELL	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
WHITFIELD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
WRIGHT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

(SEAL)

RECORDED BY: J. Schmieding



[The following text is extremely faint and largely illegible. It appears to be a multi-paragraph document, possibly a report or a set of minutes. The text is organized into several distinct paragraphs, with some lines appearing as bulleted points or numbered items. The overall structure suggests a formal document, such as a meeting record or a public hearing transcript.]